(b) and (c) The authorities do not try to manage or control prices. they endeavour to build systems and practices to deepen and broaden markets which can withstand volatility. The Government has put in place systems and practices to promote a safe, transparent and efficient market and to protect market integrity. The systems instituted include advanced risk management mechanisms comprising on-line monitoring and surveillance, various limits on positions, margin requirements, circuit filters, etc. Measures taken to broaden and deepen markets include: screen based trading system, dematerialization of securities, corporatization and demutualization of exchanges, settlement through clearing corporation, trading in derivatives, etc.

Under the current regulatory regime, the price is discovered by the market through book building mechanism, while the authorities endeavour to make all relevant information available to market participants including issues and investors for making informed investment decisions.

Raids by Income Tax Department

3001. DR. K. MALAISAMY: Will the Minister of FINANCE be pleased to state:

(a) the parameters or basis on which raids are undertaken by Income Tax Department;

(b) whether there are instances of raids based on various other considerations; and

(c) whether there are instances of arbitrary vindictive raids about which adverse indictment was given?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Search actions/raids by the Income Tax Department are undertaken on the basis of parameters laid down in sub-section (1) of Section 132 of the Income Tax Act, 1961.

(b) No, Sir. Searches are conducted as per the provisions of Section 132 of the Income Tax Act, 1961.

(c) No. Sir.

Investment in Infrastructure

3002. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is fact that India is investing less percentage of income than that of China and other Eastern countries on infrastructure;

(b) if so, what are the reasons for low investment; and

(c) what are the steps Government is taking in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The XI Plan Document estimates the total investment in infrastructure to be around 5 % of the Gross Domestic Production (GDP) in 2006-07. As per the Report of Asian Development Bank (ADB) on "Connecting East Asia : New Framework for Infrastructure, 2005"; as per 2003 figures, while China, Thailand and Vietnam invested more than 7% of GDP in infrastructure, the corresponding investment in Cambodia, Indonesia and Philippines was less than 4% of GDP.

(b) and (c) Strategy for infrastructure development in XI Plan is based on, *inter alia,* dominant role of the State; attracting private investment through appropriate forms of Public